

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

In the Matter of	)	
	)	
Connect America Fund	)	WC Docket No. 10-90

**COMMENTS OF TRANSWORLD NETWORK, CORP.**

TransWorld Network, Corp. ("TransWorld") respectfully submits these Comments on the Commission's Further Notice of Proposed Rulemaking on approaches to advancing the broadband objectives in price cap telephone company territories.<sup>1</sup> As a rural broadband service provider that is also a competitive local exchange carrier ("CLEC") and/or an Eligible Telecommunications Carrier ("ETC") in some states, TransWorld has a direct interest in the Commission's efforts to advance broadband availability in rural areas, including those served by price cap telephone companies. TransWorld urges the Commission to implement the mandates of the Communications Act of 1934, as amended ("Communications Act"), and prior Commission decisions, and establish universal service funding mechanisms for competitive non-mobile carriers, like TransWorld, to receive support for serving unserved census blocks within price cap telephone company areas. Competitive carriers, like TransWorld, are best positioned in many areas of the country to cost-effectively serve rural areas, including unserved census blocks in price cap telephone company areas, and it would be contrary to the mandates of the Communications Act and prior Commission decisions to continue to exclusively provide price cap telephone companies with universal service funding in their territories, especially given that they have already enjoyed an exclusive right of first

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<sup>1</sup> *In the Matter of Connect America Fund*, Further Notice of Proposed Rulemaking, FCC 12-138, WC Docket No. 10-90 (rel. November 19, 2012) ("*Price Cap Territory FNPRM*").

<sup>2</sup> *Connect American Fund et al.*, WC Docket No. 10-90 et al., Report and Order and Further

refusal in Phase I to make broadband service available in their service areas. Many price cap carriers have elected not to make broadband service available in Phase I, but instead have sought waivers of universal service funding limitations, even though competitive carriers, like TransWorld, stand ready to more cost-effectively provide broadband service in unserved census blocks within price cap territories.

### **BACKGROUND INFORMATION ON TRANSWORLD**

TransWorld provides high-speed broadband service and interconnected voice over the Internet protocol voice telephony service to residential and business consumers in Arizona, Indiana, New Mexico, and Texas. TransWorld's high-speed broadband service is provided under the brand name Wi-Power® High-Speed Internet and includes dedicated high-speed access to the Internet. TransWorld's voice service is provided under the brand name Wi-Power® Digital Phone Service and includes advanced services and features, such as call forwarding, call waiting, caller ID, and voicemail. All of TransWorld's service offerings come with customer service 24 hours a day, 7 days per week. TransWorld primarily serves rural, under and un-served communities. TransWorld's wireless network provides reliable, affordable communication for consumers. Through agreements with Rural Electric Cooperatives, TransWorld has established a physical presence in the communities in which it serves. In addition, TransWorld maintains several physical points of presence in rural communities, including, but not limited to, interconnection facilities at fiber junctions, cell sites and access points, inventory storage facilities, and field service locations.

TransWorld uses fixed wireless communications facilities to serve consumers' basic and advanced communications needs. The core of TransWorld's network infrastructure is an Internet Protocol ("IP") based self-healing network, providing extremely reliable transport for services such as voice, data and video

services. Traffic-flow within TransWorld's network has integrated dynamic intelligence to select the optimum path available and prioritize service classes based on network management policies. TransWorld has designed its broadband network to employ two types of wireless topologies for the last mile and middle mile segments. The point-to-point ("PTP") segments of the network are typically used for backhaul paths between two sites. The backhaul solution is a carrier-grade wireless Ethernet bridge using radio licenses issued by the Commission. TransWorld's network is engineered with resource control mechanisms that deliver a quality of service similar to the public switched telephone network ("PSTN"). Performance and service availability within TransWorld's network is measured and held to the highest of technological standards today. This is accomplished by being able to meet the delay, jitter, and packet loss requirements during any network conditions, including times of high-traffic load, stress, and primary path failures. All the elements within TransWorld's network are held to carrier-class uptime standards. For connectivity to end user customers, TransWorld uses spectrum, including unlicensed spectrum, assigned by the Commission to deliver broadband and voice telephony services.

TransWorld has designed its network to maintain service to customers during power outages. All TransWorld sites are equipped with back-up power, either battery backup units or uninterruptible power supplies ("UPS") and/or on-site generators. For outages lasting beyond the range of the UPS units, TransWorld maintains multiple portable generators, ready for immediate deployment, throughout its service territory. Outages are closely monitored to ensure timely deployment of these units. TransWorld also maintains redundancy among key sites so that customer traffic can be rerouted, as necessary. TransWorld handles traffic spikes that may arise in emergency situations by taking advantage of the added capabilities of redundant facilities.

## DISCUSSION

### ***It Is Imperative That The Commission Implement Universal Service Funding Mechanisms For Competitive Carriers And Not Recreate ILEC Monopolies Over Voice And Now Broadband Service In Rural Communities***

In its *Connect America Order*,<sup>2</sup> the Commission adopted reforms to the universal service system based, in part, upon advances in technology and the services available in rural areas of the United States. The Commission explained its reform of the universal service system as “CAF will immediately begin making available broadband and advanced mobile services to unserved American homes, businesses, and community anchor institutions, while transitioning universal service to an efficient, technology-neutral system that uses tools, including competitive bidding, to ensure that scarce public resources support the best possible communications services for rural Americans.”<sup>3</sup> It is critically important to rural consumers, not to mention the integrity of the universal service mandates of the Communications Act, that the Commission holds true to pronouncements in its National Broadband Plan:<sup>4</sup>

The eligibility criteria for obtaining support from CAF should be company- and technology-agnostic so long as the service provided meets the specifications set by the FCC. Support should be available to both incumbent and competitive telephone companies (whether classified today as “rural” or “non-rural”), fixed and mobile wireless providers, satellite providers and other broadband providers, consistent with statutory requirements. Any broadband provider that can meet or exceed the specifications set by the FCC

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<sup>2</sup> *Connect American Fund et al.*, WC Docket No. 10-90 et al., Report and Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17663 (2011) (*Connect America Order*); *pets. for review pending sub nom. In re: FCC 11-161*, No. 11-9900 (10 Cir. Filed Dec. 18, 2011).

<sup>3</sup> *Connect America Order* at para. 120.

<sup>4</sup> *Connecting America: The National Broadband Plan*, GN Docket No. 09-51 at p. 145; see [http://hraunfoss.fcc.gov/edocs\\_public/attachmatch/DOC-296935A1.pdf](http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-296935A1.pdf).

should be eligible to receive support.

While the Commission departed from its plan for Phase I CAF by providing price cap ILECs with a right of first refusal for universal service support, it also promised to establish support mechanisms for competitive carriers prior to the end of 2012. In particular, the Commission explained that “in areas where the price cap ETC refuses the state-level commitment, support will be determined through a competitive bidding mechanism”<sup>5</sup> and “we anticipate adoption of the selected model by the end of 2012 for purposes of providing support beginning January 1, 2013.”<sup>6</sup> As a newly designated competitive ETC, TransWorld stands ready to participate in a competitive bidding mechanism to cost-effectively provide broadband (and voice) service to unserved census blocks within price cap telephone company areas.

In addition to price cap telephone company areas, the Commission established an annual budget of \$100 million to serve remote areas and made clear that competitive wireless carriers may be ideally suited for serving these high cost areas. It is “our commitment to ensuring that Americans living in the most remote areas of the nation, where the cost of deploying wireline or cellular terrestrial broadband technologies is extremely high, can obtain affordable broadband through alternative technology platforms such as satellite and unlicensed wireless.”<sup>7</sup> The Commission stated “we expect to finalize the Remote Areas Fund in 2012 with implementation in 2013.”<sup>8</sup> On January 17, 2013, the Wireline Competition Bureau released a Public Notice seeking further comment on issues regarding the design of

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<sup>5</sup> *Connect America Order* at para. 156.

<sup>6</sup> *Connect America Order* at para. 157.

<sup>7</sup> *Connect America Order* at para. 533.

<sup>8</sup> *Connect America Order* at para. 30.

the remote areas fund.<sup>9</sup> As a newly designated competitive ETC, TransWorld also stands ready to participate in a Remote Areas Fund.

### **CONCLUSION**

The Commission should expeditiously establish universal service funding mechanisms for competitive rural broadband service providers, like TransWorld, who are best positioned to cost-effectively serve many rural census blocks and consumers. TransWorld is better positioned to serve the universal service needs of many rural consumers than the incumbent telephone companies, and, as such, the Commission should ensure that all remaining universal service funding that is made available in price cap areas is also available to competitive carriers.

Respectfully submitted,

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<sup>9</sup> Public Notice, *Wireline Competition Bureau Seeks Further Comment on Issues Regarding the Design of the Remote Areas Fund*, DA 13-69, WC Docket No. 10-90, January 17, 2013.